

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0199-01
Bill No.: HB 29
Subject: Education, Elementary and Secondary: Teachers
Type: Original
Date: January 11, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	(\$105,041 to Unknown)	(\$156,984 to Unknown)	(\$199,839 to Unknown)
Mentor Teacher Incentive Reward Program	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	(\$105,041 to Unknown)	(\$156,984 to Unknown)	(\$199,839 to Unknown)

- SUBJECT TO APPROPRIATION -

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Net Effect On School Districts	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **State Treasurer's Office**, in responses to similar proposals, assumed the proposal would result in no fiscal impact to the agency.

Officials from the **Secretary of State's Office (SOS)** assume the rules, regulations and forms issued by the Department of Elementary and Secondary Education could require as many as approximately 12 pages in the Code of State Regulations. For any given rule, roughly half again as many pages are published in the Missouri Register as in the Code because cost statements, fiscal notes and the like are not repeated in the Code. These costs are estimated. The estimated cost of a page in the Missouri Register is \$23. The estimated cost of a page in the Code of State Regulations is \$27. The actual costs could be more or less the SOS's estimated cost of \$738 for FY 2002. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Elementary and Secondary Education (DESE)** noted that during the 1999-00 school year 14 candidates (of 23 applying) National Board certification, bringing the total of National Board Certified teachers in Missouri to 43. If all districts made requests for grant money DESE would pay \$43,000 per year in bonuses in FY 2002. National Board certificates are valid for 10 years.

Seventy-four candidates have applied for National Board certification for the 2000-01 school year. Assuming 56% become certified, 41 candidates would become eligible for bonuses in FY 2003.

Assuming similar numbers of newly Board certified teachers for the 2001-02 school year, the number of teachers eligible for Board-certification bonuses would be 125 for FY 2004.

DESE officials note that there are, in any given year, about 10,000 first and second year teachers (not including teachers who are new to their districts) who might require mentors. DESE officials could not estimate the number of teachers who would be eligible for bonuses for participating in certified programs to assist new teachers.

DESE would request a Supervisor for review and monitoring of the mentoring programs. They
ASSUMPTION (continued)

also note that districts would need to be compensated for program administration and release time of mentors and "new" teachers.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
GENERAL REVENUE FUND			
<u>Cost</u> - Department of Elementary and Secondary Education			
Personal Service (1 FTE)	(\$40,672)	(\$50,027)	(\$51,277)
Fringe Benefits	(\$13,556)	(\$16,674)	(\$17,091)
Expense and Equipment	(\$7,813)	(\$6,283)	(\$6,471)
Transfers to Mentor Teacher Incentive Reward Program Fund	(\$43,000 to Unknown)	(\$84,000 to Unknown)	(\$125,000 to Unknown)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$105,041 to Unknown)</u>	<u>(\$156,984 to Unknown)</u>	<u>(\$199,839 to Unknown)</u>
- SUBJECT TO APPROPRIATION -			
MENTOR TEACHER INCENTIVE REWARD PROGRAM FUND			
<u>Income</u> - Transfers from General Revenue Fund	\$43,000 to Unknown	\$84,000 to Unknown	\$125,000 to Unknown
<u>Cost</u> - Distribution to School Districts	(\$43,000 to Unknown)	(\$84,000 to Unknown)	(\$125,000 to Unknown)
ESTIMATED NET EFFECT ON MENTOR TEACHER INCENTIVE REWARD PROGRAM FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
SCHOOL DISTRICTS			
<u>Income</u> - State Aid	\$43,000 to Unknown	\$84,000 to Unknown	\$125,000 to Unknown
<u>Cost</u> - Teacher Bonuses	(\$43,000 to Unknown)	(\$84,000 to Unknown)	(\$125,000 to Unknown)
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

The proposal would require the Department of Elementary and Secondary Education to:

- 1) provide, subject to appropriation, incentive grants to public school districts which implement innovative programs to assist new teachers; and
- 2) adopt a Mentor Teacher Incentive Reward Program to encourage teachers to voluntarily apply for and achieve teacher certification by the National Board for Professional Teaching Standards and to act as mentors or advisors to new teachers.

The General Assembly would make an annual appropriation from the General Revenue Fund to the Mentor Teacher Incentive Reward Program Fund for the sole purpose of funding bonuses.

The bonus could be paid in a lump sum at the beginning of the fiscal year to a school district to cover all bonuses owed to teachers.

The amount of the bonus would be \$1,000 for each nationally certified teacher and \$1,000 for each participant in a certified mentoring program.

The Department of Elementary and Secondary Education would establish rules for the administration of the grant program for innovative programs to assist new teachers and for enforcement of the Mentor Teacher Incentive Reward Program.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. The proposal would not affect Total State Revenue.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
State Treasurer's Office
Secretary of State's Office



Jeanne Jarrett, CPA
Director
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